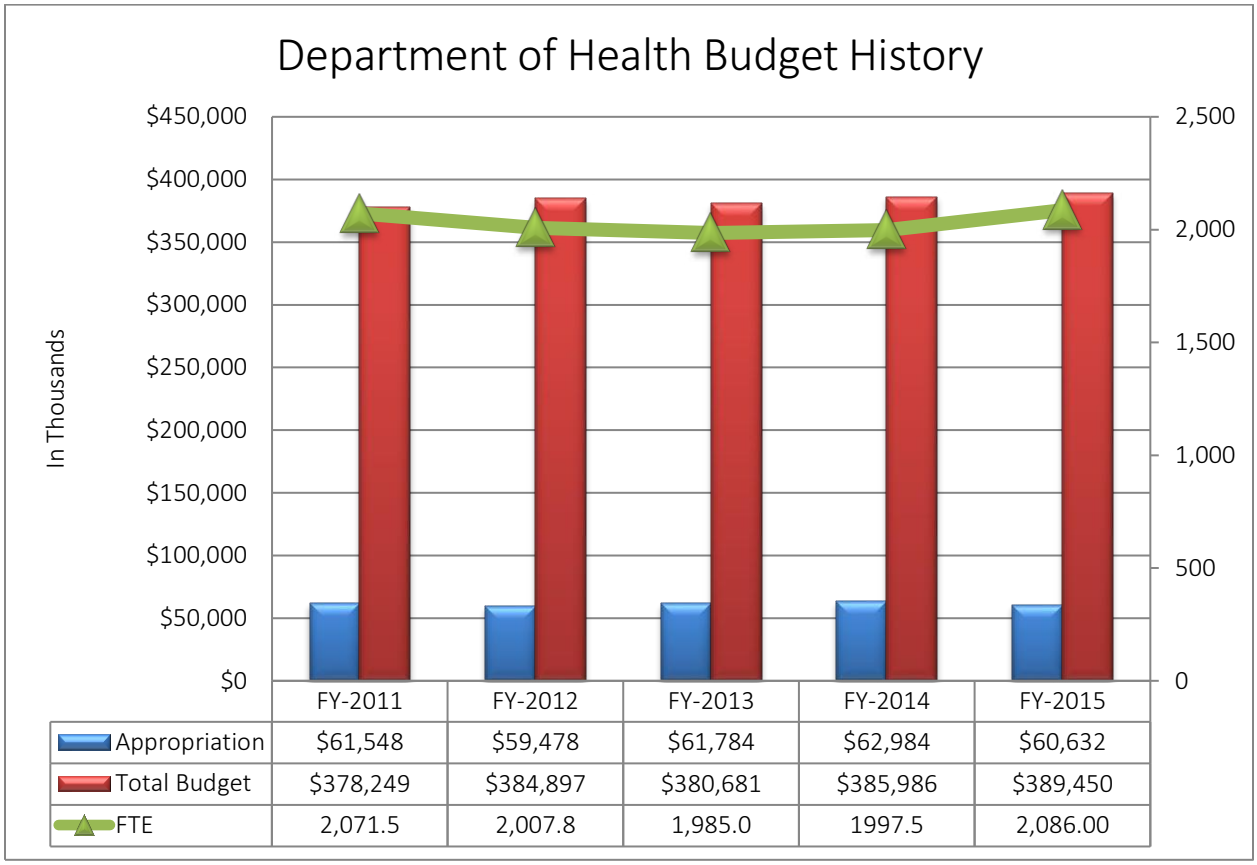
Department of Health - 340

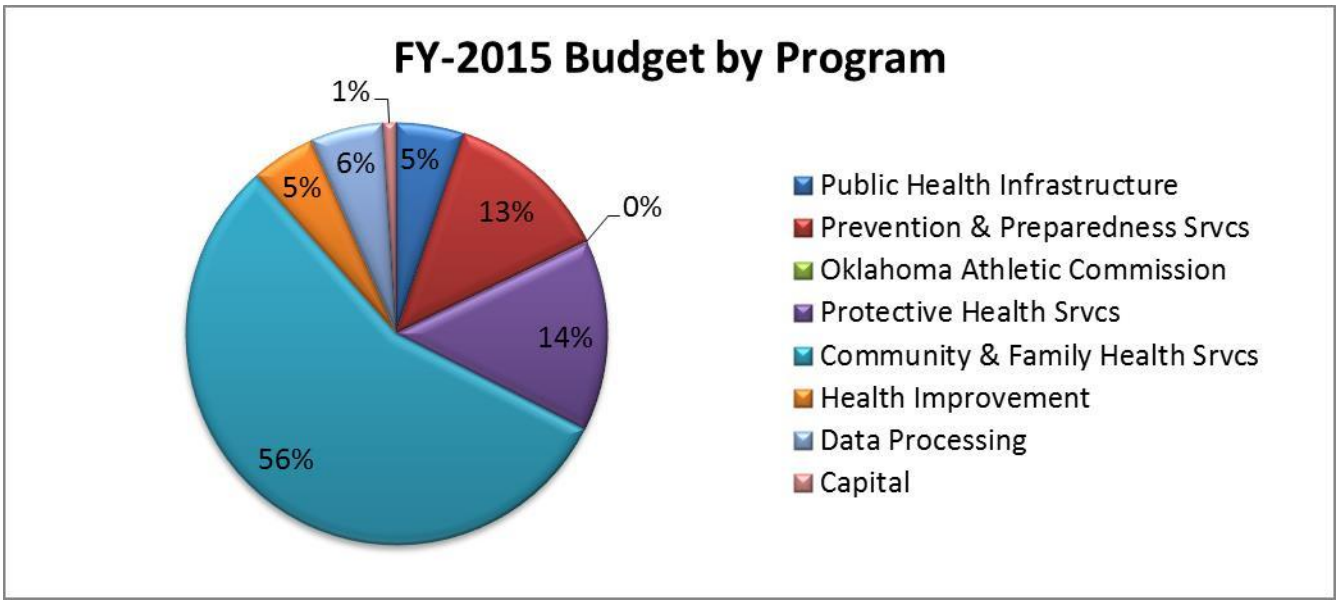


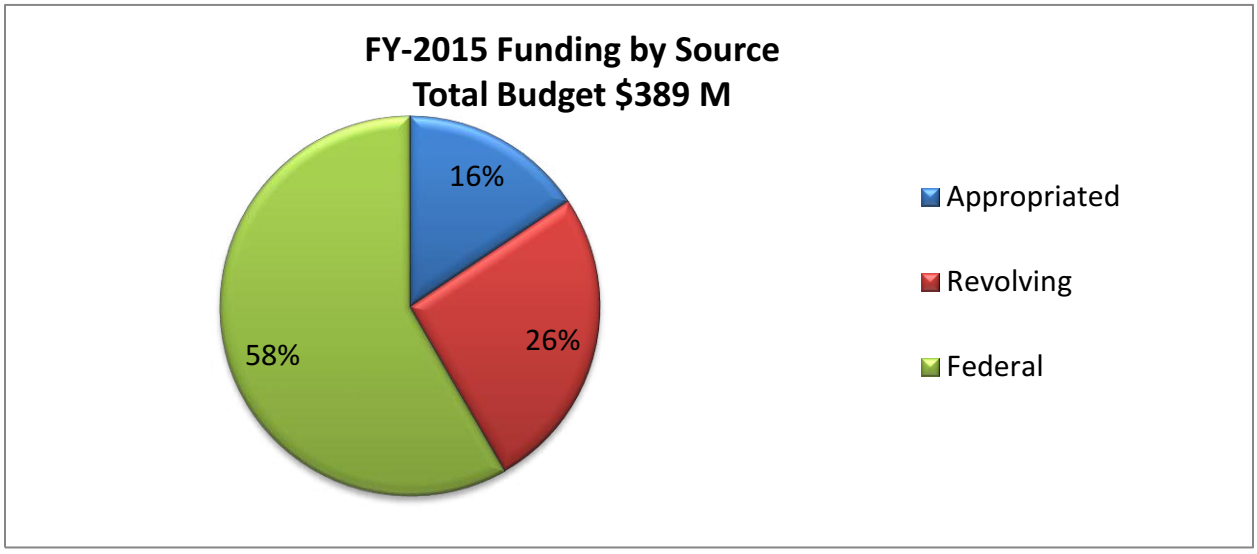
	FY-2011	FY-2012	FY-2013	FY-2014	FY-2015
Appropriation	$61,548	$59,478	$61,784	$62,984	$60,632
Total Budget	$378,249	$384,897	$380,681	$385,986	$389,450
FTE	2,071.5	2,007.8	1,985.0	1997.5	2,086.00

State Funds as a percentage of total state appropriations – 0.85%
Filled positions increased as a result of improved turnover rates and position refill processes;

- Refill processing time improved by 66% resulting in fewer vacant positions at any given time
- An estimated 23% of the increase is a result of decreased turnover rates
- Seventy-seven percent of the increase in filled positions benefited Community and Family Health Services, 11% in Protective Health Services

I. Funding





Federal funding includes WIC payments from the disbursing fund, which is 17% of the federal funding.

II. FY-2015 Supplemental Request Summary

No supplemental requested.

III. FY-2016 Budget Request Summary

- Bond Request $49,178,000
- Appropriations Request $18,523,641

1. Public Health Laboratory – $49,178,000 Bond,
   $5,835,996 Estimated Annual Bond Repayment (10 years)

   - Aging lab built over 40 years ago to 1970's specifications and lacks the best practice designs adopted in recent decades
   - Modernized testing and screening procedures necessary for rapid identification of disease threats requires more lab space
   - Enhanced laboratory testing equipment has reduced necessary workspace of laboratory scientists resulting in as many as three staff sharing a workspace originally meant for one
   - 54,000 newborn screening tests for over 50 metabolic disorders performed per year, sole laboratory in the state performing this testing
   - Performs high-risk and critical microbial and toxin testing, "white powder" and Ebola testing
   - Sole Biological Safety Level 3 laboratory in the state performing tests on specific biologic agents
   - Specialized testing for high-risk diseases such as tuberculosis, rabies and smallpox
   - New facilities necessary to ensure continued College of American Pathologists laboratory accreditation and/or licensure; loss of accreditation and/or licensure would halt necessary testing in the Public Health Lab until minimum standards are met

2. Vaccine Purchase, Distribution and Administration – $2,687,645

   - Few private providers purchase and stock needed vaccines due to cost and speed at which vaccines pass their shelf life
   - In rural areas this problem is exacerbated due to extreme healthcare provider shortages and few corner drugstores that provide vaccinations making access to basic preventive health services for insured Oklahomans unnecessarily difficult
   - Already poor access to vaccines is worsened as Federal Vaccines for Children (VFC) guidelines prohibit persons with the ability to pay (insurance or other form of payment) from receiving VFC vaccines available at County Health Departments (CHDs)
   - Using existing State Department of Health infrastructure, this initiative will fund the purchase and administration of vaccines allowing Oklahomans to purchase vaccines from County Health Departments (CHDs)
   - This initiative will improve statewide vaccination rates (*47th in the nation for two-year-old immunization rates in 2013*) by allowing Oklahomans the ability to purchase vaccines from County Health Departments (CHDs)
   - Studies show that increased immunization rates contribute to the reduction of the spread of preventable diseases; one dollar spent on childhood vaccines saves an estimated $16.50 in future health costs
   - This means significant amounts of taxpayer and insurance dollars are not spent on curing diseases that could have otherwise have been prevented with an improved immunization rate

Vaccine Request Estimate	(by fiscal year) SFY-16	SFY-17 (30% Reduction)	SFY-18 (30% Reduction)	SFY-19 (30% Reduction)	SFY-20 (30% Reduction)
Vaccine Cost	$ 2,251,931	$ 1,576,352	1,103,446	772,412	540,688
Administration	$ 435,714	$ 305,000	213,500	149,450	104,615
Total	$ 2,687,645	$ 1,881,352	1,316,946	921,862	645,303

3. Public/Private Partnership for Improvement of Adolescent and Children's Health – $1,000,000

- This initiative will utilize private investments to assume the majority of financial risk to achieve health outcomes
- Outcomes must have a demonstrable savings (or return on investment) to the State of Oklahoma and be documented through standardized data collection
- Under the program, Oklahoma and Tulsa City- County Health Departments will partner with private entities to engage in efforts to reduce teen pregnancy. Upon successfully delivering results, the State of Oklahoma will pay for the outcomes achieved and the private investment will be reinvested in the program for another year
- According to the CDC, teens who get pregnant have far poorer outcomes, both for themselves and their children, leading to an increase in costs to the social welfare system, and a reduction for the mother and child in everything from lifetime earning expectancy to academic performance
- Oklahoma has the second highest teen birth rate in the United States at 47.3 per 1,000 live births to teens aged 15-19, the national average is 29.4
- According to the OSDH's Center for Health Statistics, 15 girls between the ages of 15-19 give birth in Oklahoma *per day*
- 30% of teen girls in the United States who drop out of high school cite pregnancy or parenthood as the reason
- In 2011, more than 75% of teen deliveries in Oklahoma were unintended pregnancies
- Lack of educational achievement and ability to develop work skills negatively impacts wealth generation in our state
- This issue affects many areas of state expenditure, including common and higher education, corrections, social services and the healthcare system
- It is estimated that in 2010, teen childbearing in Oklahoma cost taxpayers $169 million. This figure includes public health care expenses, potential for incarceration and other negative outcomes that require intervention or assistance from the system. However, one dollar spent on reduction efforts leads to $3.78 in savings for taxpayers in the first year alone, as these negative outcomes are countered

4. Reduce Preventable Hospitalization and Emergency Room Visits for the Uninsured – $9,000,000

- Preventable in-patient hospital stays and emergency department visits are contributing factors to increasing healthcare costs

- Studies show that up to 76% of ER visits are non-emergency and avoidable and that each unnecessary ER visit costs the system more than $580
- A 30% reduction in chronic disease preventable hospitalizations would save the system and taxpayers more than $54 million in a single year
- Further, Oklahoma's uninsured rate is 17% leading to uncompensated care costs of $2.4 billion in 2013. The majority of these costs are attributed to hospital care
- Payment models that encourage more efficient healthcare delivery and reward improved health outcomes are necessary to change the healthcare business model
- This initiative would develop and pay for voluntary, community-based emergency room diversion techniques and systems of care that prevent the need for acute care delivery in a hospital
- Payments will be based on outcomes including reduced preventable hospitalizations and emergency room visits

IV. Legislative Needs

1. Save lives by reducing prescription opioid overdoses through a Prescription Monitoring Program (PMP)
    - According to the OSDH Injury Prevention Service, there were 3,900 unintentional poisoning deaths in Oklahoma from 2007-2012, and 87% of those involved at least one opioid prescription drug
    - In 2010, Oklahoma had the dubious distinction of having the fourth highest unintentional poisoning death rate in the nation at 17.9 deaths per 100,000 population
    - Prescription painkillers were involved in 9 out of 10 prescription drug-related deaths in Oklahoma, with 457 opioid-involved deaths in 2012
    - In 2009, unintentional poisoning became the leading cause of unintentional injury in the state, surpassing even car crashes
    - Nationwide, it is estimated that the abuse of opioid analgesics results in over $72 billion in medical costs alone
    - States such as Florida, New York and Tennessee have seen reductions of up to 75% in patients using multiple prescribers to receive the same drug
    - Physicians checking the PMP prior to prescribing will reduce diversions and misuse of prescription opioids
    - Allows physicians to ensure patient receives medically necessary medication while safeguarding against using multiple prescribers to receive the same prescription drug
    - Will not interfere with standard methods of care
    - Allows for data sets to be studied, leading to better practices in combating prescription drug abuse and for bad actors to be exposed, removing sources of obtaining illegally prescribed opioids

Policy Proposal

- Some physicians don't believe their patients would doctor shop; law would ensure those people cannot play on doctor sympathies or friendly relationships for prescriptions

- Physicians who suspects abuse can contact the Oklahoma Bureau of Narcotics and Dangerous Drugs (OBNDD) through the PMP program itself
- Subaccounts available so employees of the doctor's office can pull up the PMP so it's ready to go by the time the doctor sees the patient
- OBNDD cannot take civil action or assess monetary penalties from a doctor who fails to check PMP; medical licensure boards would decide fate of those doctors
- PMP required checks for new patients and any prescription for the top five medications found in autopsies to have contributed to overdose deaths

2. Allow farmer's markets to sell whole, uncut fruits and vegetables and uncracked nuts without a food vendor's license
   - Reduces expense and regulations on a small, temporary vendor selling healthy foods with minimal risks of food-borne illness
   - Increases access to fresh fruits and vegetables for Oklahomans by incentivizing farmer's markets and potentially reducing food deserts
   - Increases healthy food options for SNAP enrollees who can use EBT cards at farmer's markets to purchase fruits and vegetables
   - Organizes exemptions which already exist in statute and administrative rules for private kitchens, day care centers, nursing homes and other assisted living facilities

Policy Proposal

- Amend O.S. 63, Section 1-1118 to offer limited exemptions to the food service license requirement, providing for ease of service offering by produce stands, charities and other entities, without sacrificing the food safety or health of the public

3. Modify advance directive law to allow for contracting with private enterprise
   - Allows a private enterprise with preexisting infrastructure to maintain the Advance Directive Registry
   - Service is provided more conveniently and at a lower cost for Oklahomans who wish to file an advance directive
   - Contracting with a private enterprise saves taxpayer resources that would otherwise be expended in setting up a fee structure and an advance directive registry
   - Allows the OSDH to ensure the provisions of the Act are fulfilled through an oversight role while saving state dollars by negating the need for infrastructure and maintenance

Policy Proposal

- Amend O.S. 63, Section 3102.1 allowing contracts with private vendors to fulfill the provisions of the Advance Directive Act and removing the provisions directing the OSDH establish a database for advance directives
- The costs and fees for the vendor would be established by contract
- Amend O.S. 63, Section 3102.2 to remove the language relating to the Board of Health establishing a fee for submission of each Alternative Advance Directive Form